Introduced by Senator Leno

February 19, 2010

An act to amend Section 728 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 1441, as introduced, Leno. Public utilities: rates.

Existing law authorizes the Public Utilities Commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. Existing law provides that whenever the commission, after a hearing, finds that the rates charged by a public utility for services are insufficient, unlawful, unjust, unreasonable, discriminatory, or preferential, the commission is required to determine and fix, by order, the just, reasonable, or sufficient rates to be thereafter observed and in force.

This bill would make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 728 of the Public Utilities Code is 2 amended to read:
- 3 728. Whenever the commission, after a hearing, finds that the
- 4 rates or classifications, demanded, observed, charged, or collected
- 5 by any public utility for or in connection with any service, product,
- 6 or commodity, or the rules, practices, or contracts affecting such
- 7 those rates or classifications are insufficient, unlawful, unjust,

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unreasonable, discriminatory, or preferential, the commission shall determine and fix, by order, the just, reasonable, or sufficient rates, 3 classifications, rules, practices, or contracts to be thereafter 4 observed and in force.

In determining and fixing rates for a telephone corporation 5 6 pursuant to this section or pursuant to Section 455, or in determining whether or not a proposed rate increase is justified 7 pursuant to Section 454, the commission shall, among other things, take into consideration any evidence offered concerning the quality 10 of the particular telephone corporation's services as compared with that of telephone corporations in adjacent territory, and the permissible rates for comparable service charged by telephone 12 13 corporations in adjacent territory.